

## **Greater Newark HUD Tenants Coalition**

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### **Restructuring of Cities and Impacts on Low Income Tenants**

The loss of affordable housing in some major cities such as Newark, NJ and Baltimore, MD is shameful and inhumane. The planners have failed to take into consideration while they draw up restructuring plans, what will happen if displaced low income tenants are into the homeless jungle. The social, economic, and psychic effect that it places upon family life, children and many senior citizens is not an experience that any normal human being is willing or may want to deal with. Statistics tell us how many units are needed, also how many are available. Statistics also tell us how many people are at risk and how many are already homeless.

Low income status is thrust upon people as a result of low salaries, disabled and retired seniors, and laid off workers whose companies either downsized or closed down. Slow replacement of units in these cities by local government is one of the main culprits in restructuring. In these United States, a "democratic" country that adamantly criticizes other nations and governments for inhumane treatment of its citizens,

there exists the most inhumane treatment of its citizens. The deprivation of and the right to adequate and comfortable living quarters, a decent place to call “home”. Home is where the heart is. No home, no heart, no life. Building structures that are strong should be rehabilitated and not torn down. No family should be displaced unless there is immediate replacement that is safe and adequate for them.

Planners and government, Federal, State, and local should take into account the preservation and humane effects on family life when they plan the restructuring and zoning of our cities. If they don't, they are guilty of inhumanity like some other countries. We cannot condemn other countries if we are guilty of the same inhumane treatment.

Some of these people who are mistreated and deprived of decent affordable housing are devastated, not knowing where they are going to lay their heads tonight, tomorrow or in the future. It is the responsibility of our leaders and planners to take a long thorough look at the humane impact of their planning.

In affordable housing , waiting is not an option, it hurts in every way. Federal Housing Action and rules should be enforced in a very timely fashion in government subsidized housing. State, city and county

controls need to be looked at and researched according to the needs of its majority of citizens. Take into account: **WE VOTE!! NATIONALLY AND LOCALLY!!!**

Without a home, there is no family life. Without a family or home, hope is bleak. Communication starts at home. The basics of life learning begins at home....loyalty, love, respect, working together, living together, sharing, and caring... Without a home to settle in, these basics are foreign and without purpose. HOME, HOME!!! Just the sound of the word makes one feel all warm inside.

Basically we're taught that we must take care of home first, then all else comes next. One of the reasons we're rallying here today is because we need to remind our United States Chief Executive, President Bush and our other government officials that the needs of U.S. citizens and their families needs must come first, then branch out with concerns of other nations.

There is no excuse, a country with the financial and political magnitude as these United States of America, to allow the affordable housing situation to languish and deteriorate at the rate it has.

A prime example of the dollar has taken a wrong turn is the plight of Atlantic City citizens. Instead of enhancing the lives and living standards of Atlantic City's people, the Rich Casinos have made the people poorer, push them out of focus, deprived them of better homes and living conditions; reneged on their promise of adequate employment with better wages.

Atlantic City is more than Casinos. It has people, families, churches, schools, streets and other things that require those services. Much of its beach space has been gobbled up by the casinos. Citizens need to have more access for entering Atlantic City beach fronts as part of the recreation they're entitled to in their home city.

People need to wake up and make demands of their National, State and local government officials. Realize how important voting is!!! Make it a priority to research the history of candidates before you vote for them. Promises are broken every day.

Be careful who you votes for in the lower ranks such as District Leaders, Freeholders, City Councilmen, County Executives, Mayors, Governors, State Senators, Assemblymen all the way to national

senators and congressmen for they have the opportunity to become the President of the United States.

We have to appeal to our city as well as state government officials to save our homes and to replace those units that have been and are being demolished at a much faster rate. This has become a national problem. Here in the State of New Jersey, the affordable housing shortage is appalling!

The number of working homeless families is rising at an alarming rate. It is shameful that such situations are allowed to exist in the richest democratic country in the world, especially in a nation that criticizes other nations of violating human rights.

Depriving its low income and fixed income families of the right to be able to have a comfortable and safe home is against the basic principles of human rights. The impact of inadequate homes and homelessness is devastating. Mr. President, Congressmen, Senators, Governor and Mr. Mayor along with City Councilmen, we appeal to you and demand that you look at this picture and Save Our Homes. Put yourself in place of these who are in need of Affordable Housing; Spend the nights on the street, in a dilapidated apartment, in a homeless shelter

with your whole family wrapped in one blanket or no blanket against the cold, live in an apartment with leaking, bad or none-functioning plumbing, loose floor – boards, falling ceilings, broken elevators, broken stairs in stairwells and sometimes no heat in winters.

HUD., the Department of Housing and Urban Development was put in place to preserve and provide adequate, safe and affordable housing and development in our nation.

New Development's is taking place in some of our major cities, but at an incessantly slow rate. Structures are demolished at 3 or 4 times the rate of replacements.

Until the new structures are timely replaced with all needed replacement units, the existing strong structures need to be preserved and made livable to prevent homelessness. What are displaced families to do until these housing units are replaced? Save our homes!! Save our homes!!

## **PUBLIC HOUSING**

### ***What is it and why invest***

As people concerned about affordable housing strategize about how to boost public support for their efforts, one issue they must address is public housing.

While public housing is often stigmatized as a failure, a place to move out of and tear down, an example of what the nation doesn't want, the reality is starkly different. Public housing is an essential rung on the "housing ladder." It is the only large-scale housing project that, if used well, enables low-income families to accrue enough disposable income to pursue higher education out of pocket, pay off debt, or apply resources toward homeownership. Roughly 48% of the residents living in public housing are elderly or disabled. The remainder are, for the most part, single-parent families led by women. However, contrary to the stereotype, most of these single parent households have a wage as their source of income and are not on public assistance. Yet, their wages are not enough to secure housing in the private rental market.

Public housing is a resource that this country cannot afford to lose. It is the nation's oldest and largest federal housing programs and is, by design, affordable to the very poor, the elderly, people who are

homeless, and people with special needs. Currently there are 1.3 million low income households benefiting from the nation's public housing program. Each of these 1.3 million families live in one of the 14,000 public housing properties located throughout the United States. 80% of these units are in fine shape. 75% of the units are in 3 story, garden style type developments. These facts run contrary to images cast in the media of hulking high rise buildings in need of major repair work. Even further, this conflict of images begs the need for reporters to get out of their office and into public housing communities so that they can witness the value of public housing life for themselves.

Public housing makes up 4% of the nations rental housing, but represents 45% of the housing that rents for \$250 or less in monthly rent. In New York City, \$250 is the maximum shelter allowance given to a family in need of income support. If there is no public housing (or Section 8, its sister program), thousands of families would have no homes to call their own.

There are two characteristics of the public housing program that makes it a valuable resource. The first is a system for calculating rents that guarantee that no household will pay more than 30% of their gross annual household income toward rent. Nationwide, the 30% threshold is



viewed as the standard for determining whether housing is affordable. The public housing program guarantees that every housing unit is affordable and within the reach of the poor. The second key characteristic of the program is its mandate to target public housing resources first and foremost on those who are most in need either because of their income or other special circumstances. While the deregulation of Public Housing Agencies in 1998 has, to some extent, weakened this mandate, it is still imposed in many cities through local action. Overall, there is no other program like public housing. It provides federal resources at a level deep enough to address the housing needs of the very poor. There is no time limit put on how long properties remain affordable. And finally, the inherent mission of the program and the local agencies it funds is to target those most in need of housing assistance.

Without public housing as a rung on the “housing ladder” thousands of families would be unable to graduate out of public housing and into other forms of housing. Further, without the public housing program, there would be no way station that provides low-income families the opportunity to stabilize themselves through employment or supportive services. This is the critical role that public housing plays in the United States. And it plays this role in concert with, not against, other housing

programs. CCC realizes that a “housing ladder” helps everyone to climb, and if one rung is missing, it threatens the effectiveness of the entire ladder.

But the public housing rung is threatened on two different fronts. First, it faces and at-large public who often sees the program as a blemish on local communities. The result of this is wide-scale support for tearing down public housing buildings and scattering low-income families throughout cities. The federal government’s HOPE VI program has been the major vehicle for this activity. On the second front, growing misperceptions about the program have caused policymakers, the public and even sympathetic housing advocates to question whether the program can work. Indeed, some of the horror stories and negative images of public housing are true. However, they in no way represent the entire program and pale in comparison to the programs many successes. In the end, if public housing is to be saved and improved, it will take a smart, practical, results-oriented effort that seeks to change public perception about the program and, in the process of changing perception, bring about changes in policy.

### **HOPE VI and the Flawed Image of Public Housing**

The reauthorization of the HOPE VI program presents a window of opportunity to change public perceptions about public housing and the people who benefit from it. This could be achieved by reforming the HOPE VI program (Housing Opportunities for People Everywhere) so that it serves its original purpose revitalizing “distressed” public housing instead of tearing it down and displacing low-income families. HOPE VI stands for Housing Opportunities for People Everywhere. It is the Department of Housing and Urban Development’s (HUD) grant program for revitalizing “severely distressed” public housing properties. Between 1993 and 2001, HUD distributed \$4.5 billion through the HOPE VI program, awarding 165 grants to 95 different housing agencies. To date, only 15 projects have been completed. This slow pace of implementation is, in large part, the results of dozens of legal challenges and organizing campaigns aimed at local housing agencies by advocacy groups. Over the years, residents and advocates have grown increasingly concerned about the impact of HOPE VI on local communities.

- a) The loss of public housing units to demolition at a time when every unit is needed (71,902 units approved for demolition under the HOPE VI program between 1993 and June, 2002).
- b) The issue of original residents of HOPE VI sites never realizing the promise of a “revitalized” community because housing agencies erect arbitrary barriers (i.e., citing bad credit history) to their return.
- c) The fact that resident organizations are not equipped with the advice and resources they need to negotiate the complexities of the HOPE VI redevelopment process. Meanwhile, housing agencies have resources to contract with consultants, attorneys and other professional services to guide them through the redevelopment process.
- d) The fact that housing agencies have focused more on the redevelopment of property than they have on building the social and economic capacity of people (the other major focus of the HOPE VI program). The U.S. Department of Housing and Urban Development (HUD) permits housing agencies to use up to 15% of their \$35 million grants for supportive services. However, research shows that the average percentage of grant funds spent of supportive services is 9%.

The negative impact of HOPE VI is made possible because of the flawed images about public housing. Public housing has long been stigmatized as a symbol of social misery. The attention given to Cabrini Green in Chicago is case in point. The truth of the matter is that strong public housing families, many led by women, work to the point of exhaustion (whether at work or at home) every day of the week to try to make a better life for themselves and their children. But somehow, the old images of Cabrini Green swallow up these images and the stories they tell.

What follow is a very disturbing status report on the HOPE VI program:

1. HUD has awarded more than \$4.5 billion in HOPE VI funds since 1993. However as of March 31, 2002, Public Housing Agencies have expended \$1.78 billion (39%). With 15 of the 165 redevelopment projects complete to date, it is clear that the program is stalled in many communities.
2. Public Housing Agencies have demolished approximately 51,000 public housing units, and relocated approximately 41,000 families. However, only 13,869 new public housing units have been built.

And only 6,869 of the newly developed units are occupied by residents who were displaced by HOPE VI demolition.

3. As of June 2002, HUD has approved the demolition of approximately 140,000 units.